

SENATE MOTION

MADAM PRESIDENT:

I move that Senate Bill 142 be amended to read as follows:

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning
- 3 insurance.
- 4 Page 1, between the enacting clause and line 1, begin a new
- 5 paragraph and insert:
- 6 "SECTION 1. IC 27-7-5-2 IS AMENDED TO READ AS
- 7 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) **As used in this**
- 8 **section, "commercial vehicle policy" means an insurance policy**
- 9 **that provides coverage for at least one (1) of the following:**
- 10 (1) **A motor vehicle that is rated or insured as a business or**
- 11 **commercial vehicle.**
- 12 (2) **A motor vehicle that is licensed by the state as a**
- 13 **commercial vehicle.**
- 14 (3) **A commercial motor vehicle business, including an:**
- 15 (A) **individual who; or**
- 16 (B) **entity that;**
- 17 **is in the business or occupation of selling, repairing, servicing,**
- 18 **storing, or parking motor vehicles, including a business that**
- 19 **is a commercial garage operation, an automobile sales entity,**
- 20 **a motor vehicle repair entity, a motor vehicle service station,**
- 21 **or a public parking operation.**
- 22 (4) **A motor vehicle that is used as a public or private livery or**
- 23 **a rental conveyance.**
- 24 (5) **A motor vehicle that is owned or used by a named insured**
- 25 **that is not a natural person.**
- 26 (b) **Except and to the extent as provided in subsections (d) and**
- 27 **(e), the insurer shall make available, in each automobile liability or**
- 28 **motor vehicle liability policy of insurance which is delivered or issued**
- 29 **for delivery in this state with respect to any motor vehicle registered or**
- 30 **principally garaged in this state, insuring against loss resulting from**
- 31 **liability imposed by law for bodily injury or death suffered by any**

1 person and for injury to or destruction of property to others arising from
 2 the ownership, maintenance, or use of a motor vehicle, or in a
 3 supplement to such a policy, the following types of coverage:

4 (1) in limits for bodily injury or death and for injury to or
 5 destruction of property not less than those set forth in IC 9-25-4-5
 6 under policy provisions approved by the commissioner of
 7 insurance, for the protection of persons insured under the policy
 8 who are legally entitled to recover damages from owners or
 9 operators of uninsured or underinsured motor vehicles because of
 10 bodily injury, sickness or disease, including death, and for the
 11 protection of persons insured under the policy who are legally
 12 entitled to recover damages from owners or operators of
 13 uninsured motor vehicles for injury to or destruction of property
 14 resulting therefrom; or

15 (2) in limits for bodily injury or death not less than those set forth
 16 in IC 9-25-4-5 under policy provisions approved by the
 17 commissioner of insurance, for the protection of persons insured
 18 under the policy provisions who are legally entitled to recover
 19 damages from owners or operators of uninsured or underinsured
 20 motor vehicles because of bodily injury, sickness or disease,
 21 including death resulting therefrom.

22 The uninsured and underinsured motorist coverages must be provided
 23 by insurers for either a single premium or for separate premiums, in
 24 limits at least equal to the limits of liability specified in the bodily
 25 injury liability provisions of an insured's policy, unless such coverages
 26 have been rejected in writing by the insured. However, underinsured
 27 motorist coverage must be made available in limits of not less than fifty
 28 thousand dollars (\$50,000). At the insurer's option, the bodily injury
 29 liability provisions of the insured's policy may be required to be equal
 30 to the insured's underinsured motorist coverage. Insurers may not sell
 31 or provide underinsured motorist coverage in an amount less than fifty
 32 thousand dollars (\$50,000). Insurers must make underinsured motorist
 33 coverage available to all existing policyholders on the date of the first
 34 renewal of existing policies that occurs on or after January 1, 1995, and
 35 on any policies newly issued or delivered on or after January 1, 1995.
 36 Uninsured motorist coverage or underinsured motorist coverage may
 37 be offered by an insurer in an amount exceeding the limits of liability
 38 specified in the bodily injury and property damage liability provisions
 39 of the insured's policy.

40 (b) Any named insured of an automobile or motor vehicle liability
 41 policy has the right, on behalf of all other named insureds and all other
 42 insureds, in writing, to:

43 (1) reject both the uninsured motorist coverage and the
 44 underinsured motorist coverage provided for in this section; or

45 (2) reject either the uninsured motorist coverage alone or the
 46 underinsured motorist coverage alone, if the insurer provides the
 47 coverage not rejected separately from the coverage rejected.

1 No insured may have uninsured motorist property damage liability
 2 insurance coverage under this section unless the insured also has
 3 uninsured motorist bodily injury liability insurance coverage under this
 4 section. Following rejection of either or both uninsured motorist
 5 coverage or underinsured motorist coverage, unless later requested in
 6 writing, the insurer need not offer uninsured motorist coverage or
 7 underinsured motorist coverage in or supplemental to a renewal or
 8 replacement policy issued to the same insured by the same insurer or
 9 a subsidiary or an affiliate of the originally issuing insurer. Renewals
 10 of policies issued or delivered in this state which have undergone
 11 interim policy endorsement or amendment do not constitute newly
 12 issued or delivered policies for which the insurer is required to provide
 13 the coverages described in this section.

14 **(c) If any named insured rejects in writing the coverage**
 15 **described in subsection (b), the rejection of coverage applies to**
 16 **every other:**

17 **(1) named insured; and**

18 **(2) insured.**

19 **It is not necessary that each named insured or other insured reject**
 20 **the coverage described in subsection (b) in writing or sign the**
 21 **written rejection of coverage.**

22 **(d) This subsection applies only to a commercial vehicle policy.**
 23 **An insurer is required to offer only the coverage described in**
 24 **subsection (b) as part of a commercial vehicle policy that provides**
 25 **coverage for a vehicle. The coverage offered by an insurer under**
 26 **subsection (b) as part of a commercial vehicle policy is required to**
 27 **cover only a loss that results from the operation of a motor vehicle.**

28 **(e) An insurer is not required to offer coverage described in**
 29 **subsection (b) in connection with the issuance of a commercial**
 30 **umbrella or excess liability policy."**

31 Renumber all SECTIONS consecutively.

(Reference is to SB 142 as printed February 20, 2009.)

Senator STEELE